



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**Johnny Sutton, U.S. Attorney**

**FOR IMMEDIATE RELEASE**

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**ASSETS OF FUGITIVE DOCTOR DIPAK PATEL SEIZED**

**United States Attorney Johnny Sutton** announced today that the assets of fugitive **Dr. Dipak Patel** were seized by the federal government. The assets seized include: investment accounts, a medical clinic, a Comfort Inn motel and a 1999 Mercedes Benz automobile. The value of these assets is expected to be \$4.6 million. In April, Patel was convicted of conspiracy to commit health care fraud, health care fraud and 45 counts of mail fraud. Defendant Patel was present for jury selection, but failed to appear for trial, and was tried in absentia. By failing to appear for trial, he forfeited a \$2,050,000 cash bond. He is currently a fugitive from justice.

**U.S. Attorney Johnny Sutton** stated, "The vast majority of health care providers are dedicated and honest, unfortunately there are a few who seek to unjustly enrich themselves through fraudulent claims. As in this case, the losses can soar into the millions of dollars. The seizure of Dipak Patel's assets will help the government to recoup some of the loss that occurred as a result of his fraudulent medical billing practices."

Defendant Patel, operating as a medical doctor in Midland, Texas, fraudulently obtained in excess of \$8 million dollars from taxpayer and private insurance programs. Those monies were subsequently deposited into an umbrella of accounts at Morgan Stanley/Dean Witter Investments. The Defendant used some of those monies to purchase assets and following his arrest, transferred monies into another umbrella of accounts operated by Wachovia Securities to include setting up college funds for his children. The government claims that these accounts contained the proceeds of his unlawful fraudulent activity, subjecting them to seizure and forfeiture.

At the trial earlier this year, the government showed that Patel, through fraudulent billings for medical services, attempted to secure \$40 million from insurance companies. The actual loss was \$8.3 million, with \$7.7 million coming from taxpayer-funded programs, such as Medicare and Medicaid. Defendant Patel would have had to have worked 24 hours a day, seven days-a-week in order to have legitimately performed the work for which he billed during one seven-month period. In addition to making claims for medical services he never performed, Patel also falsified diagnoses, known as "upcoding," to support claims for reimbursement for unnecessary testing and treatment. Medical experts testified that this unnecessary treatment could have endangered his patients.

Today's seizures were effectuated by the Federal Bureau of Investigation and the U.S. Marshall's Service. It was prosecuted for the government by Assistant U.S. Attorney Mark Roomberg. The case was investigated by the Federal Bureau of Investigation, the Office of Personnel Office, and the Texas Attorney General's Medicaid Fraud Unit.

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